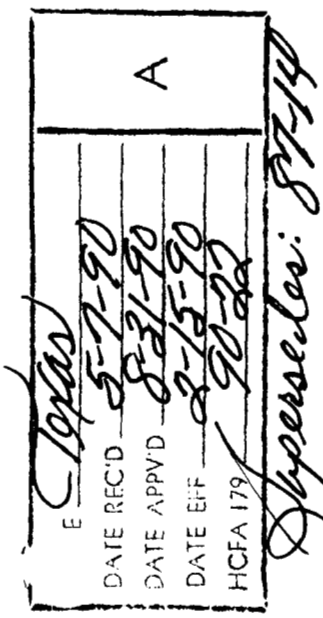
STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

STATE/TERRITORY: TEXAS

Requirements of Third Party Liability
Payment of Claims

(d) (1) Section 433.139(b)(3)(ii)(C) -- Claims related to individuals on whose behalf medical child support enforcement is known to be carried out by the State Title IV-D agency will be paid and not denied due to the existence of a third party. When the third party has not been billed or when the provider has billed a third party and certifies that he has not received payment within 30 days after the date of service, reimbursement for these paid claims will be pursued on a routine basis through the Texas Automated Recovery System (TARS) through guidelines documented below. In order to determine the provider's compliance with the billing requirements, TARS solicits information from insurers concerning possible inappropriate duplicate payments. Most insurers cooperate with the Medicaid program and verify whether or not they previously paid the charges being billed by Medicaid.

(2,3) Section 433.139(f)(2) and (3) -- National Heritage Insurance Company (NHIC) serves as a health insuring agent for all other Medicaid services except the following, which are handled directly by the Texas Medicaid Agency: prescribed drugs, nursing home care, personal care services in the recipient's home, transportation and day activities. The process for determining whether it is cost effective to pursue a third party reimbursement through the insuring agent, NHIC, follows:



Procedures for seeking reimbursement will be initiated within sixty (60) days after the end of the month in which the health insurance carrier is identified, or within sixty (60) days after the end of the month in which payment was made.

Requests for reimbursement will be initiated on all claims meeting cost effectiveness criteria. Claims for $100.00 or more will be pursued within sixty (60) days following the month of Medicaid payment. Claims for less than $100.00 will be accumulated until the amount reaches $100.00 or until six (6) months have elapsed (whichever comes first). If after six (6) months the accumulation has not reached $100.00, all accumulated claims will be billed. Initiation of post payment recovery activity of all claims will, however, begin during the month cycle when the $100.00 accumulation is reached.

A minimum dollar amount to be accumulated and minimum dollar amounts for follow-up on unresolved recovery attempts will be applied to ensure reasonable cost effectiveness of the third party reimbursement effort.

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

STATE/TERRITORY: TEXAS

Requirements of Third Party Liability
Payment of Claims

If no response is received by the twelfth (12th) month after the date of initial billing, the case will be closed and no further action taken.

Medicare recoupments will be pursued on a periodic basis through an automated system. Medicaid will seek reimbursement of all paid claims whenever Medicare eligibility is established retroactively, whenever buy-in delays are experienced and whenever suspected Medicare entitlements are not resolved within one-hundred and twenty (120) days of referral to Medicare. Medicaid services not covered by Medicare are not included in this process.

In the area of personal injury liability, trauma related claims previously noted of $100.00 or more will be researched and reviewed. Notices of subrogation will be filed with the appropriate parties.

The State administered Long Term Care Institutional Care and Vendor Drug programs have obtained a waiver under 433.139(e) to pay and chase the recovery of Medicaid costs. The policy on determining whether it is cost effective to pursue a third party reimbursement in the State administered Long Term Institutional Care and Vendor Drug programs follows:

(A) A threshold amount of $100.00 will be used in both the Long Term Institutional Care and Vendor Drug programs. The State will accumulate all claims in both programs for a period of six (6) months or $100.00, whichever comes first.

(B) Procedures for seeking reimbursement will be initiated within sixty (60) days after the end of the month in which the health insurance carrier is identified or in which payment was made and the threshold amount is reached. There will be a follow up on all unresolved recovery attempts within six (6) months of the initial request. If no response is received by the twelfth (12th) month, a third request is submitted with a cover letter indicating it is the third request. Then after three (3) months with no response, the case is closed and no further action taken to that claim.

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

STATE/TERRITORY: TEXAS

Requirements of Third Party Liability
Payment of Claims

(e) Section 42 CFR 447.20 -- The Medicaid agency ensures that the provider furnishing a service for which a third party is liable follows the restrictions specified in 42 CFR 447.20.

STATE	Texas
DATE REC'D	5-7-90
DATE APPV'D	8-31-90
DATE EFF	2-15-90
HCFA 179	90-22
	A

Supersedes - None - This page